

106TH CONGRESS
2D SESSION

H. R. 4467

To amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under such Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2000

Mr. HEFLEY introduced the following bill; which was referred to the
Committee on Banking and Financial Services

A BILL

To amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under such Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Deposit Insur-
5 ance Corporation Adjustment Act”.

1 **SEC. 2. PERIODIC ADJUSTMENT TO MAXIMUM AMOUNT OF**
2 **DEPOSIT INSURANCE COVERAGE.**

3 (a) IN GENERAL.—Section 11(a)(1) of the Federal
4 Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amended
5 by striking subparagraph (B) and inserting the following
6 new subparagraph:

7 “(B) NET AMOUNT OF INSURED DE-
8 POSIT.—

9 “(i) IN GENERAL.—Subject to clause
10 (ii), the net amount due to any depositor
11 at an insured depository institution shall
12 not exceed \$100,000, as determined in ac-
13 cordance with subparagraphs (C) and (D).

14 “(ii) INFLATION ADJUSTMENT.—As of
15 the 1st day of the 3-year period beginning
16 on January 1, 2001, and the 1st day of
17 each subsequent 3-year period, the max-
18 imum net amount due to any depositor at
19 an insured depository institution under
20 clause (i) shall be increased by the product
21 of—

22 “(I) the amount described in
23 clause (i); and

24 “(II) the cost of living adjust-
25 ment determined under section 1(f)(3)
26 of the Internal Revenue Code of 1986

1 at the beginning of each such 3-year
2 period, in accordance with clause (iii).

3 “(iii) RULE OF APPLICATION.—Sec-
4 tion 1(f)(3)(B) of the Internal Revenue
5 Code of 1986 shall be applied, for purposes
6 of clause (ii) of this subsection, by sub-
7 stituting ‘calendar year 1980’ for ‘calendar
8 year 1992’.

9 “(iv) ROUNDING.—If the amount de-
10 termined under clause (ii) for any period is
11 not a multiple of \$1,000, the amount so
12 determined shall be rounded to the nearest
13 \$1,000.

14 “(v) PUBLICATION.—Not later than
15 January 15 of the 1st year of each 3-year
16 period referred to in clause (ii), the Board
17 of Directors shall publish in the Federal
18 Register the maximum net amount which
19 may be due to any depositor at an insured
20 depository institution during such 3-year
21 period.”.

22 (b) TECHNICAL AND CONFORMING AMENDMENTS.—
23 (1) Paragraphs (2)(A) and (3)(A) of section
24 11(a) of the Federal Deposit Insurance Act (12
25 U.S.C. 1821(a)) are each amended by striking

1 “\$100,000” and inserting “the amount determined
2 under paragraph (1)(B)”.

3 (2) Paragraph (6) of section 11(m) of the Fed-
4 eral Deposit Insurance Act (12 U.S.C. 1821(m)) is
5 amended by striking “\$100,000” and inserting “the
6 amount determined under subsection (a)(1)(B)”.

7 (3) The following provisions of the Federal De-
8 posit Insurance Act are each amended by striking
9 “\$100,000” and inserting “the amount determined
10 under section 11(a)(1)(B)”.

11 (A) Paragraphs (1) and (3) of section 7(i)
12 (12 U.S.C. 1817(i)).

13 (B) Subsection (d) of section 43 (12
14 U.S.C. 1831t).

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